

AUSTIN CONVENTION & VISITORS BUREAU
PROPOSED BUDGET 2016 - 2017

	ORIGINAL PROPOSED FY 2017	BUDGET CUTS FROM ORIGINAL	AMENDED PROPOSED FY 2017	AMENDED FY2016	ESTIMATED FY2016
REVENUE					
CITY CONTRACT - HOTEL OCCUPANCY TAX	16,472,944	1,999,211	14,473,733	14,473,733	14,473,733
PRIVATE SECTOR REVENUE					
RETAIL REVENUE	1,107,500	-	1,107,500	1,022,000	1,022,000
PUBLICATION SALES	20,000	-	20,000	20,000	20,000
RACK RENTAL	15,000	-	15,000	15,000	15,000
PARTNERSHIP REVENUE	636,500	-	636,500	504,000	504,000
AUSTIN SPORTS COMMISSION REVENUE	118,000	-	118,000	72,500	72,500
SERVICES BILLED	256,000	-	256,000	235,000	235,000
DONATED SERVICES	415,000	-	415,000	365,000	365,000
INTEREST INCOME	600	-	600	300	300
DRAW ON RESERVE FUND FOR CONVENTION COMMITMENTS (PCMA, JOHN DEERE, ETC)	2,240,600	-	2,240,600	306,100	306,100
SUB-TOTAL, PRIVATE SECTOR REVENUE	4,809,200	-	4,809,200	2,539,900	2,539,900
TOTAL REVENUE	21,282,144	1,999,211	19,282,933	17,013,633	17,013,633

BUDGET BY PROGRAM

CONVENTION SALES & SERVICES ¹	*	8,549,623	189,500	8,360,123	6,549,660	6,549,660
MARKETING ²	**	6,123,813	1,000,885	5,122,928	5,646,013	5,646,013
FINANCE / ADMINISTRATION / IT ³		2,367,554	40,400	2,327,154	1,891,644	1,891,644
MUSIC & FILM ⁴		607,399	38,575	568,824	486,509	486,509
VISITOR CENTER ⁵		1,605,755	24,500	1,581,255	1,439,807	1,439,807
CURRENT AND FUTURE CONVENTION COMMITMENTS ⁶		2,028,000	705,351	1,322,649	1,000,000	1,000,000
TOTAL		21,282,144	1,999,211	19,282,933	17,013,633	17,013,633

AUSTIN CONVENTION & VISITORS BUREAU
PROPOSED BUDGET 2016 - 2017 (CONTINUED)

		FY2016/17 PERCENTAGE ALLOCATION	FY2016/17 PERCENTAGE ALLOCATION	FY2015/16 PERCENTAGE ALLOCATION
CHANGE IN ASSETS				
CONVENTION SALES	*	22%	24%	28%
CONVENTION SERVICES	*	13%	15%	6%
CONVENTION SERVICES - HOUSING	*	1%	2%	2%
TOURISM SALES	*	3%	3%	3%
MARKETING / ADVERTISING	**	29%	27%	33%
MUSIC & FILM		3%	3%	3%
VISITOR CENTER		8%	8%	8%
FINANCE / ADMINISTRATIVE/ IT		11%	12%	11%
CURRENT AND FUTURE CONVENTION COMMITMENTS		10%	7%	6%
		100%	100%	100%

¹ Convention Sales & Services Reductions - Welcome banners, production and installation (\$50,000); Regional Sales Calls (\$12,000); Professional Development (\$10,500); FAMS & Site Visits (\$15,000); Industry Relations (\$10,000); Tradeshows (\$61,000); Research (\$31,000)

² Marketing - Advertising Production/Placement (\$393,000); Heritage Grants (\$200,000); NME Sponsorship (\$300,000); Diversity Brochure, Print and Digital (\$30,000); Soul and Latin CD's (\$15,000); Media/Client Relations (\$16,000); Media FAMS & Site Visits (\$7,750); International Marketing (\$18,500); Trade Shows (\$7,635); Professional Development (\$11,000); Business Development Task Force (\$2,000)

³ Finance/Admin/IT - Professional Development (\$11,800); Hardware (\$15,400); Software (\$5,600); Staff Benefits (\$6,500); Supplies (\$1,100)

⁴ Music & Film - CD Release Event (\$1,200); Special Promotions and Events (\$7,000); SXSW Activation (\$1,500); Musicians for Events (\$13,550), Local and Live (\$8,000); Sundance (\$5,500); Scout Recruitment (\$1,200); Professional Certifications (\$500); Professional Development (\$125)

⁵ Visitor Center - Staffing, replace FT with PT (\$21,000); Professional Development (\$2,500); Special Promotions (\$1,000)

⁶ Current and Future Convention Commitments - reduce budget for PCMA by \$250,000, commitments to book future conventions by \$455,351

AUSTIN CVB BUDGET REALITIES

This outlines implications of a reduced budget of \$14.5MM. It is important to note that the Austin CVB's ability to responsibly establish goals and plan for long-term tourism impact is dependent on a reliable funding approach. To date, the 1.45 cents on the HOT dollar structure provided this valuable benchmark. What is the way forward?

The bulk of this budget cut is applied to marketing Austin as a premier leisure and meetings destination. As a result...

- We can expect increased competitive pressure and to lose share-of-voice to competing markets like San Antonio and Dallas who aggressively conquest Austin prospects
- Reduced media reach minimizes our ability to directly target key opportunity segments like the LGBTQ, African-American and Hispanic audiences
- This amended budget eliminates our largest music tourism promotion and its mass international reach
- There will be significantly reduced support for route development and the promotion of new domestic and international non-stop flight service to Austin
- The Professional Convention Management Association's (PCMA) Convening Leaders conference is a must-win opportunity for the city. In order to ensure its success, we're forced to make considerable cuts to other tried-and-true sales programs and marketing initiatives for the upcoming year. One direct hit to PCMA is the elimination of a Live Music Value-Add Offer. This incentive was designed to help guarantee post-PCMA bookings and directly support local Austin musicians.
- Heritage grants and current level of promotion cannot be funded by ACVB at these budget levels; Budget cut by \$250,000. Commitments to book future conventions by \$\$455,351.

All Austin CVB department goals have been adjusted to reflect amended budgets. You will find a detailed breakdown of budget cuts by department in the following pages.

CONVENTION SALES AND SERVICES

DEPARTMENT GOALS FOR FY 16/17

GOALS - SALES	ANNUAL GOALS 15-16	ANTICIPATED PRODUCTION 15-16	AMENDED 16-17
Total Leads	2,244	2,608	2,244
Total Room Nights	600,000	628,000	600,000

GOALS - SERVICES	ANNUAL GOALS 15-16	ORIGINAL PROPOSED 16-17	AMENDED 16-17
Meetings Served	1,620	1,675	1,620
Registration Staffing Hours Provided	4,800	5,000	4,800
Reservations Assigned	18,000	15,000	18,000
Supplier Referrals & Leads	360	408	360
Community Outreach / Supplier Meetings	84	96	84

These tactical cuts will most immediately impact our total leads for FY16/17. Without a strong pipeline, our ability to close strong room nights (and fulfill increased hotel inventory) is jeopardized for years to come.

TACTICAL CUTS



REGIONAL SALES CALLS

↓ \$12,000



INDUSTRY RELATIONS

↓ \$10,000



PROFESSIONAL DEVELOPMENT

↓ \$10,500



TRADESHOWS

↓ \$61,000



CONVENTION DISTRICT WELCOME BANNER PROGRAM

↓ \$50,000



RESEARCH

↓ \$31,000



FAMS AND SITE VISITS

↓ \$15,000

MARKETING

DEPARTMENT GOALS FOR FY 16/17

GOALS	ANNUAL GOALS 15-16	ORIGINAL PROPOSED 16-17	AMENDED 16-17
Unique Web Visits	1.86 MM	1.92 MM	1.86 MM
Austin Insider Guide Fulfillment**	65,000	70,000	65,000
Virtual Views, Austin Insider Guide	60,000	65,000	60,000
Virtual Views, Austin Meeting Planner Guide	2,000	2,200	2,000
Leisure eNewsletter opt-ins	86,000	94,600	86,000

The bulk of the overall budget cut is applied to marketing Austin as a premier leisure and meetings destination. As a result, we can expect increased competitive pressure and to lose share-of-voice to competing markets like San Antonio and Dallas who aggressively conquest Austin prospects. Reduced media reach minimizes our ability to directly target key opportunity segments like the LGBTQ, African-American and Hispanic audiences. This amended budget also eliminates our largest music tourism promotion which provided mass international reach. Finally, there will be significantly reduced airline support for route development and the promotion of new domestic and international non-stop flight service to Austin.

TACTICAL CUTS



ADVERTISING
↓ \$693,000



TRADE SHOWS
↓ \$7,635



**INTERNATIONAL TOURISM
MARKETING/TRAVEL TRADE**
↓ \$18,500



MEDIA FAMS & SITE VISITS
↓ \$7,750



**BUSINESS DEVELOPMENT TASK
FORCE**
↓ \$2,000



PROFESSIONAL DEVELOPMENT
↓ \$11,000



HERITAGE GRANTS
↓ \$200,000



MEDIA/CLIENT RELATIONS
↓ \$16,000



SOUL & LATIN CDS
↓ \$15,000



**DIVERSITY BROCHURE, PRINT &
DIGITAL**
↓ \$30,000

MUSIC AND FILM

DEPARTMENT GOALS FOR FY 16/17

GOALS - MUSIC	ANNUAL GOALS 15-16	ORIGINAL PROPOSED 16-17	AMENDED 16-17
Booking Assists / Inquires	800	840	800
Industry Contacts	840	840	840
Media Contacts	60	60	60
Media Events	12	12	12
GOALS - FILM			
Production Leads	2,520	19,992	2,520
Fulfillment	120	126	120
Production Starts	42	48	42
Commercials / Still Shoots	48	60	48
Production Days	900	900	900

These cuts represent a direct impact on the pockets of local Austin musicians and members of the production community.

TACTICAL CUTS



MUSICIANS FOR EVENTS

↓ \$13,500



CD RELEASE

↓ \$1,200



SCOUT RECRUITMENT

↓ \$1,200



SPECIAL PROMOTIONS AND EVENTS

↓ \$7,000



PROFESSIONAL CERTIFICATIONS/ DEVELOPMENT

↓ \$625



LOCAL AND LIVE SERIES

↓ \$8,000



SUNDANCE

↓ \$5,500



SXSW ACTIVATION

↓ \$1,500

VISITOR SERVICES

DEPARTMENT GOALS FOR FY 16/17

GOALS	ANNUAL GOALS 15-16	ORIGINAL PROPOSED 16-17	AMENDED 16-17
Walk-In Inquiries	169,000	180,000	169,000
Call-In Inquiries	18,000	18,600	18,000
Retail Revenue	\$1,022,000	\$1,085,000	\$1,022,000
Email Inquiries	900	900	900
Walking Tours	5,496	5,496	5,496
Business / Industry Group Presentations	24	24	24

TACTICAL CUTS



SPECIAL PROMOTIONS

↓ \$1,000



STAFFING

(REPLACING FT TO PT POSITIONS)

↓ \$21,000



PROFESSIONAL DEVELOPMENT

↓ \$2,500

FINANCE/ADMIN/IT



PROFESSIONAL DEVELOPMENT

↓ \$11,800



SUPPLIES

↓ \$1,100



HARDWARE / SOFTWARE

↓ \$15,400 / \$5,600



STAFF BENEFITS

↓ \$6,500

FY 16-17 BUREAU ACTIVITIES

FIRST QUARTER

DATE	EVENT	LOCATION	DEPARTMENT
OCTOBER			
9/30 - 10/2 10/7 - 10/9	Austin City Limits Music Festival	Austin, TX	Communications, Marketing, Music Office
10/10 - 10/12	TTIA Texas Travel Summit 2016	Houston, TX	Marketing, Tourism
10/13 - 10/20	Austin Film Festival	Austin, TX	Austin Film Commission, Strategic Alliances
10/18 - 10/20	IMEX America	Las Vegas, NV	Convention Sales
10/20 - 10/21	eTourism Summit	San Francisco, CA	Marketing
10/21 - 10/23	2016 Formula 1 United States Grand Prix	Austin, TX	Austin Sports Commission, Tourism
TBD	West Coast Sales Mission	TBD	Convention Sales
TBD	New York City Event	New York, NY	Austin Film Commission
NOVEMBER			
11/7 - 11/9	World Travel Market	London, UK	Tourism
11/9 - 11/12	FICP Annual Conference	Nashville, TN	Convention Sales
11/15	Biz Bash Live - Event Innovation Forum	New York, NY	Strategic Alliances
11/15 - 11/17	DC Sales Mission	Washington, D.C.	Convention Sales
11/21	Austin Sports Commission Golf Tournament	Austin, TX	Austin Sports Commission, Convention Sales
11/30 - 12/3	National Coalition of Black Meeting Planners Annual Conference	St. Louis, MO	Convention Sales
TBD	Fun Fun Fun Fest	Austin, TX	Communications, Marketing, Music Office
DECEMBER			
12/2 - 12/4	Connect Sports LGBTQ National Task Force	Austin, TX	Austin Sports Commission
12/5 - 12/9	AUS-NZ Sales & Media Mission	Sydney & Melbourne, Australia & Auckland, NZ	Tourism
12/5 - 12/10	American Cup	Scottsdale, AZ	Austin Sports Commission
12/6 - 12/8	IAEE Expo! Expo!	Anaheim, CA	Convention Sales
12/7	Texas CVB Holiday Event	Washington, D.C.	Convention Sales
12/10	Chicago Holiday Event	Chicago, IL	Convention Sales
12/15	Holiday Showcase	Chicago, IL	Convention Sales
TBD	TSAE Holiday Luncheon	Austin, TX	Convention Sales

SECOND QUARTER

DATE	EVENT	LOCATION	DEPARTMENT
JANUARY			
1/8 - 1/11	PCMA Convening Leaders	Austin, TX	Convention Sales, Convention Services, Strategic Alliances
1/19 - 1/29	Sundance Film Festival	Park City, UT	Austin Film Commission, Strategic Alliances
1/26	Southwest Showcase	Austin, TX	Convention Sales
FEBRUARY			
2/8 - 2/10	AMC Institute Annual Meeting	Fort Lauderdale, FL	Convention Sales
TBD	Mexico City Sales and Media Mission	Mexico City, MX	Tourism
TBD	Southeast Sales Calls	TBD	Convention Sales
MARCH			
3/8 - 3/12	ITB Berlin	Berlin, Germany	Tourism
3/10 - 3/19	SXSW Music, Film and Interactive Conferences and Festival	Austin, TX	Austin Film Commission, Communications, Marketing, Music Office, Strategic Alliances
3/15	MIC Educational Conference & Tradeshow	Denver, CO	Convention Sales
3/22 - 3/26	World Golf Championships - Dell Match Play	Austin, TX	Austin Sports Commission
3/26 - 3/29	IEG Sponsorships Conference	Chicago, IL	Strategic Alliances
3/27 - 3/30	National Association of Sports Commissions Sports Event Symposium	Sacramento, CA	Convention Sales
TBD	Meet NY & Sales Calls	New York, NY	Convention Sales
TBD	DMAI Foundation Dinner & Destination Showcase	Washington, D.C.	Convention Sales
TBD	Local Client Appreciation Event	Austin, TX	Convention Sales
TBD	Midwest Sales Calls	TBD	Convention Sales
TBD	West Coast Sales Calls	TBD	Convention Sales
TBD	Sonoma Film Festival	Sonoma, CA	Austin Film Commission
TBD	PCMA Partner Conference	Chicago, IL	Strategic Alliances

THIRD QUARTER

DATE	EVENT	LOCATION	DEPARTMENT
APRIL			
4/4 - 4/7	Simpleview Summit	Tucson, AZ	Convention Sales, Marketing, Strategic Alliances
4/20 - 4/24	AFCI Locations Trade Show	TBD	Austin Film Commission
TBD	Red Bull Grand Prix of The Americas	Austin, TX	Austin Sports Commission
TBD	IAEE/CTC Golf Event	Austin, TX	Convention Sales
TBD	Southeast Sales Mission & Client Event	TBD	Convention Sales
TBD	Levitation Music Festival	Austin, TX	Music Office
MAY			
5/3	PCMA Visionary Awards	Washington, D.C.	Convention Sales, Strategic Alliances
5/16 - 5/18	IMEX Frankfurt	Frankfurt, Germany	Convention Sales
5/23 - 5/24	Xperience Design Project	National Harbor, MD	Convention Sales
TBD	Mexico City and Guadalajara Sales and Media Mission	Mexico	Tourism
TBD	ARLAG	Guadalajara, Mexico	Tourism
TBD	DFW Sales Mission & Client Event	Dallas, TX	Convention Sales
TBD	Chicago Sales Mission & Client Event	TBD	Convention Sales
TBD	Latino Music Month	Austin, TX	Music Office
JUNE			
6/3 - 6/7	USTA IPW	Washington D.C.	Tourism
TBD	ATX Television Festival	Austin, TX	Austin Film Commission
TBD	Texas Filmmakers' Brunch	Los Angeles, CA	Austin Film Commission
TBD	TSAE Summer Break	Austin, TX	Convention Sales
TBD	PCMA Education Conference	TBD	Convention Sales, Strategic Alliances

FOURTH QUARTER

DATE	EVENT	LOCATION	DEPARTMENT
JULY			
7/9 - 7/12	MPI World Education Congress	Las Vegas, NV	Convention Sales
7/10 - 7/14	TC/USA Nationals	Austin, TX	Austin Sports Commission
7/12 - 7/14	Corporate Event Marketing Association Annual Summit	California	Strategic Alliances
7/13 - 7/15	Receptive Operator FAM	Austin, TX	Tourism
TBD	DMAI Annual Convention	TBD	Strategic Alliances
AUGUST			
8/12 - 8/15	ASAE Annual Meeting	Toronto, Canada	Convention Sales
8/12 - 8/15	Toronto Sales Mission & Client Event	Toronto, Canada	Convention Sales
TBD	Capital City Black Film Festival	Austin, TX	Austin Film Commission
TBD	Connect Marketplace	TBD	Austin Sports Commission, Convention Sales
TBD	Connect Sports	TBD	Austin Sports Commission
TBD	ESTO	TBD	Communications, Marketing, Music Office
SEPTEMBER			
9/17 - 9/19	TSAE New Ideas Annual Conference	Houston, TX	Convention Sales
TBD	Austin Music Video Festival	Austin, TX	Austin Film Commission
TBD	Northeast Sales Mission & Client Event	TBD	Convention Sales
TBD	Southeast Sales Calls	TBD	Convention Sales
TBD	World Routes 2017	Barcelona, Spain	Tourism
TBD	Brand Innovators MegaTrends Conference	TBD	Strategic Alliances
TBD	ACVB Annual Luncheon	Austin, TX	All Staff